Lecture Notes 1: Overview

This lecture introduces much of the terminology we will use in the course, and we will describe it in more detail later. For now, to set the stage, we will review it very briefly in class, but make sure to get the supplemental details from the textbook.

I. Readings

II. Asset Classes

III. Characteristics of an Asset

IV. The Financial System

V. Financial Markets

VI. Financial Intermediaries

VII. Trends

VIII. Additional Readings

Buzz Words: (No) Arbitrage, Present Value, Risk, Risk Aversion, Risk Adjustment, Portfolios, Diversification, Option Value, Equilibrium, Liquidity
I. Readings

A. BKM Chapter 1.
B. Skim BKM Chapter 2.
C. Articles distributed in class